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355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

October 24, 1991

Mr. Ronald L. Bosshardt, President Redmond Clay & Salt Company, Inc. 370 South State Street P.O. Box 219 Redmond, Utah 84652

Dear Mr. Bosshardt:

Re: Request for Time Extension, Reclamation Surety, Redmond Clay & Salt Mines, M/039/002, San Pete County, Utah

The Division has reviewed your letter received September 30, 1991, regarding Redmond Clay & Salt Company's (RCSC) request for a 5-month time extension (until March 1, 1992), for submittal of the \$228,100 mining reclamation surety. While the Division is sympathetic to the circumstances surrounding your difficulty in obtaining the required reclamation surety, we cannot honor your request for the 5-month extension. Given the fact that approximately 2 1/2 years have already passed since initiation of the permitting process for your mining operations, we do not believe that another 5-month delay is reasonable.

Your September 30th letter indicated that you currently have a couple of existing buildings at the mine site that could be appraised and used as collateral to secure a loan for an irrevocable letter of credit (ILOC). You stated that although this is not your preferred option, you anticipate that the ILOC could be acquired by December 1, 1991. This proposal which involves a 2-month time extension beyond the earlier September 30, 1991 deadline is acceptable to the Division. Please notify us immediately should it appear that this deadline will not be achievable. Any additional time extensions will require written approval by the Division Director.

On October 21, 1991, we received your "Speed Memo" wherein you discuss RCSC's latest progress in acquiring the ILOC. Your memo indicates that an appraiser will evaluate certain properties (buildings) for use as collateral in securing the ILOC by the end of October. You also state that there is a possibility that the new office building may be completed by December 1, 1991. We have no preference as to which building is used as collateral, however, we will hold RCSC to the December 1, 1991 deadline for acquiring the ILOC.

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We appreciate your cooperation and anticipate finalization of this permitting action by the end of the year. Please contact me, Wayne Hedberg or Anthony Gallegos of the minerals staff, if you have further questions in this regard.

Sincerely,

Lowell P. Braxton

Associate Director, Mining

Samuel 1 Bragto

dwh/jb

cc: Minerals staff

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